

## **REMARKS**

Applicants appreciate the Examiner's thorough examination of the present application. In the previous office action, dated December 29, 2006 the Examiner stated Claims 19-36 are pending in the present application, while claims 32-36 were withdrawn from consideration from being drawn to a non-elected invention. The Examiner also objected to the Specification for lack of sections headings and rejected Claims 19-31 under 35 USC § 112 and § 102(b). As such, Applicants have amended the Specification to include section headings and amended the Claims to further define the invention. Applicant has also amended Claims 32-36 to recite a method for generating the retroreflective material of the elected group of claims. As such, Applicants consider Claims 32-36 to be in a condition for examination along with Claims 19-31. Moreover, Applicants offer the following arguments in rebuttal of the Examiner's § 102(b) rejections applying E.P. No. 0, 225,103 ("Balley") and U.S. Patent No. 4,763,985 ("Bingham"). Accordingly, Applicants consider the present claims to be in a condition for allowance.

### **I. BALLEY AND BINGHAM FAIL TO TEACH EACH ELEMENT OF CLAIMS 19 & 32**

Independent claim 19 has been amended to recite "...an underlying substrate on which a coating and plurality of beads are located, in which the coating is located between the underlying substrate and the beads...". Support for this amendment can be found in the Specification at page 1, lines 11 to 21, which describes a method which results in a structure as detailed in Claim 19 and as shown in Figure 1c. Claim 19 goes on to recite "...wherein the coating comprises areas of contrast comprising at least one of areas in which the coating does not bridge the gaps between the beads; or areas in which the coating bridging the gaps is

treated." Support for this amendment can be found in the Specification at page 2, lines 7 to 8 and 14 to 16 and the description at page 5, lines 20 to 24 in relation to Figure 2b.

Independent Claim 32 has been amended from a "...method of modifying an appearance of a retroreflective material of the kind referred to..." to a "...method of generating a retroreflective material..." followed by the method steps for generating such a material. Support for this amendment can be found at page 1, lines 11 to 21 and the description in relation to Figure 1c at page 4, line 24 to page 5, line 14. At the end of the claim 32, it is again recited that the part of the coating bridging the gaps is removed and/or treated. Support for this amendment can be found at page 2, lines 7 to 8 and 14 to 16 and the description at page 5, lines 20 to 24 in relation to Figure 2b.

Balley fails to teach a metallic coating located on the underlying substrate as recited in Claim 19. As can be seen from the FIGS. 1 & 3 and the description at Pg. 5, Ln. 17-51, Balley teaches the use of a metallic coating (20) which is deposited while the beads (18) are still embedded on the temporary carrier web (14, 16). (also see Balley, page 5, lines 26 and 27). Therefore, any metallic coating not coated on the beads (18) is located on the temporary carrier web (14, 16). The temporary carrier web (14, 16) and the part of the coating (20) located on the temporary carrier web are removed from the beads (18) (cf. Figure 3 and 4 of Balley and page 5, lines 36 and 37) as part of the process described in Balley for generating the retroreflective material of Figure 5 of Balley. This means that the metallic coating in Balley is not located on the underlying substrate (28, 30) in which the beads are embedded in the retroreflective material. (Figure 5).

In fact, according to Balley, care is taken to ensure that any metal deposited on the carrier web does not come into contact with the underlying substrate or binder film (28)

(Balley, page 5, lines 34 to 36). This is altogether different from the structure of Claim 19's material. The coating (20) in Balley is sandwiched between each bead (18) and the underlying substrate (28, 30) (Figures 3 to 5 of Balley). Accordingly, in Balley there is no part of the metallic coating which is located on the underlying substrate (28, 30) and "...which bridges the gaps between the plurality of beads..." as recited in Claim 19. Rather, in Balley, the only metallic coating is the coating (20) on the beads (18).

Moreover, Balley fails to teach the generation of areas of contrast by treating and/or removing parts of the coating bridging the gaps between the beads as also recited in Claim 19. At no time during the production process of Balley is there any metallic coating located on the underlying substrate and which bridges gaps between the beads at any time in the production process described in Balley. Accordingly, Balley does not anticipate Claim 19 (and its dependent claims) and the rejection should be withdrawn.

These same arguments apply equally to the rejection of Claim 32 and its dependent claims.

These same arguments apply equally to the Bingham citation.

### **CONCLUSION**

Applicants respectfully request reconsideration of the pending claims and that a timely Notice of Allowance be issued in this case. Should the Examiner feel a telephone conference would expedite the resolution of the issues, he is respectfully requested to contact the undersigned.

In the course of the foregoing discussion, Applicants have focused on particular claim elements. This discussion, however, should not be interpreted to mean the other limitations

can be ignored or dismissed. The claims must be viewed as a whole, and each claim limitation must be considered when determining the patentability of the claims. There may also be other distinctions between the claims and the prior art that have yet to be raised, but that may be raised in the future. Unless Applicants have specifically stated that an amendment was made to distinguish the prior art, it was the intent of the amendment to further clarify and better define the claimed invention and was not for the purpose of patentability.

In view of the remarks previously submitted, Applicants respectfully submit the application is in condition for allowance. Accordingly, the issuance of a Notice of Allowance in due course is respectfully requested.

Respectfully Submitted,

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